

NEBRASKA DEPARTMENT
OF INSURANCE

FILED

CAUSE NO. A-1472

JURISDICTION

- ### STIPULATIONS OF FACT

1. The Department initiated this administrative proceeding by filing a petition styled **State of Nebraska Department of Insurance vs. Paul Flaughter**, Cause Number A-1472 on May 28, 2002. A copy of the amended petition was served upon the Respondent at the Respondent's address registered with the Department by certified mail, return receipt requested.
2. Respondent violated *Neb.Rev.Stat.* §44-4059(1)(h) provides as a result of the following conduct.

-
- a. On or about September 16, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$1,100.17. Respondent made a partial deposit of \$214.12, equal to the check amount reported, to Security National Bank of Omaha. The Respondent failed to collect and deposit the cash amount of \$886.05 indicated in the report.
 - b. On or about September 20, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$2,387.84. Respondent made a partial deposit of \$397.01, equal to the check amount reported, to Security National Bank of Omaha. The Respondent failed to collect and deposit the cash amount of \$1,990.83 indicated in the report.
 - c. On or about September 20, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$802.49. Respondent made a partial deposit of \$166.25, equal to the check amount reported, to Security National Bank of Omaha. The Respondent failed to collect and deposit the cash amount of \$636.24 indicated in the report.
 - d. On or about September 28, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$634.64. Respondent made a partial deposit of \$100.00, equal to the check amount reported, to Security National Bank of Omaha. The Respondent failed to collect and deposit the cash amount of \$535.64 indicated in the report.
 - e. On or about September 28, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$1,811.26. Respondent made a partial deposit of \$933.03, equal to the check amount reported, to Security National Bank of Omaha. The Respondent failed to collect and deposit the cash amount of \$878.23 indicated in the report.
 - f. On or about September 30, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$453.75. The Respondent failed to collect and deposit the cash amount of \$453.75 indicated in the report.
 - g. On or about October 7, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$702.51. Respondent made a partial deposit of \$68.00, equal to the check amount reported, to Security National Bank of Omaha. The Respondent failed to collect and deposit the cash amount of \$634.51 indicated in the report.
 - h. On or about October 13, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$195.14. The Respondent failed to collect and deposit the cash amount of \$195.14 indicated in the report.

- i. On or about October 18, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$1604.22. The Respondent failed to collect and deposit the cash amount of \$1604.22 indicated in the report.
- j. On or about October 24, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$588.68. Respondent made a partial deposit of \$336.56, equal to the check amount reported, to Security National Bank of Omaha. The Respondent failed to collect and deposit the cash amount of \$252.12 indicated in the report.
- k. On or about October 28, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$120.24. Respondent made a partial deposit of \$95.00, equal to the check amount reported, to Security National Bank of Omaha. The Respondent failed to collect and deposit the cash amount of \$25.24 indicated in the report.
- l. On or about November 2, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$1,001.77. Respondent made a partial deposit of \$346.44, equal to the check amount reported, to Security National Bank of Omaha. The Respondent failed to collect and deposit the cash amount of \$655.33 indicated in the report.
- m. On or about November 16, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$942.76. The Respondent failed to collect and deposit the cash amount of \$942.76 indicated in the report.
- n. On or about November 18, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$772.10. Respondent made a partial deposit of \$67.26, equal to the check amount reported, to Security National Bank of Omaha. The Respondent failed to collect and deposit the cash amount of \$704.84 indicated in the report.
- o. On or about December 1, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$785.55. The Respondent failed to collect and deposit the cash amount of \$785.55 indicated in the report.
- p. On or about December 19, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$61.55. The Respondent failed to collect and deposit the cash amount of \$61.55 indicated in the report.
- q. On or about December 20, 2000, the Respondent reported deposits to Monumental Life Insurance Company in the amount of \$1,032.63.

Respondent made a partial deposit of \$258.56, equal to the check amount reported, to Security National Bank of Omaha. The Respondent failed to collect and deposit the cash amount of \$774.07 indicated in the report.

3. Respondent was informed of his right to a public hearing. Respondent waives that right, and enters into this Consent Order freely and voluntarily. Respondent understands and acknowledges that by waiving his right to a public hearing, Respondent also waives his right to confrontation of witnesses, production of evidence, and judicial review.

4. Respondent admits the allegations contained in the Petition and restated in Paragraph #2 above.

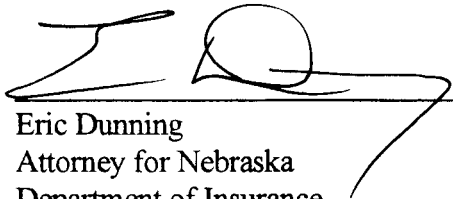
CONCLUSIONS OF LAW

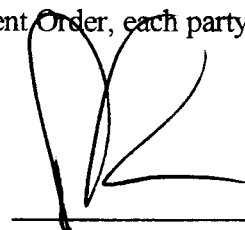
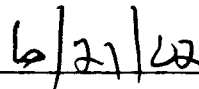
Respondent's conduct as alleged above constitutes a violation of Neb.Rev.Stat. §44-4059(1)(h).

CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed to by Respondent, Paul Flaughter, that Respondent shall have his license suspended for a period of six months. The Nebraska Department of Insurance shall retain jurisdiction of this matter for the purpose of enabling the Respondent or the Department to make application for such further orders as may be necessary.

In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing his or her signature below.


Eric Dunning
Attorney for Nebraska
Department of Insurance
941 "O" Street, Suite 400
Lincoln, Nebraska 68508
(402) 471-2201


Respondent

Date

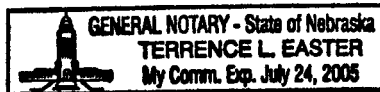
6/25/02
Date

Attorney for Respondent

Date

State of NEBRASKA)
County of DOUGLAS) ss.

On this 21ST day of JUNE, 2002, Paul Flaughner personally appeared before me and read this Consent Order, executed the same and acknowledged the same to be his voluntary act and deed.



Terrence L. Easter
Notary Public

I hereby certify that the foregoing Consent Order is adopted as the Final Order of the
Nebraska Department of Insurance in the matter of State of Nebraska Department of Insurance vs.
Paul Flaughner, Cause No. A-1472.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

L. Tim Wagner
L. TIM WAGNER
Director of Insurance

6/26/02
Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the executed Consent Order was sent to the Respondent, at 11635 Davenport Plaza, Omaha, Nebraska 68154, and at Producers America Inc., 2424 South 130 Circle, Omaha, Nebraska 68144-2529, by certified mail, return receipt requested on this 20th day of May, 2002.

Stacey M. Belyantse

2002 MAY 20 PM 4:00
FBI - OMAHA
RECEIVED